

DREAMBED (7791 TSE Second Section) ----- June 28,2021

Engaged in design development, manufacturing and sales of mattresses, bedframes, sofas, beddings, etc.

This report is an English translation of part of the report issued on June 25, 2021.
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[7791 DREAMBED Sector : Other Products]

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Mar. 2020	10,034	-1.7	484	-6.8	469	-6.8	331	16.3	164.3	658.9	0.0
Mar. 2021	8,976	-10.5	704	45.3	730	55.6	521	57.3	161.4	669.7	0.0
Mar. 2022 f	9,612	7.1	683	-3.0	703	-3.6	485	-6.9	122.6	-	20.0

Note: Non-consolidated basis. Figures for the fiscal year ending March 2022 are the company's forecasts.

Main Products are Mattresses and Bedframes

DREAMBED is engaged in the design development, manufacturing and sales of mattresses, bedframes, sofas and beddings (pillows and comforters) and other home furnishings.

The company handles its own brands including “dream bed” and overseas partner brands, including “Serta” of the U.S. Mattresses and bedframes are its main products and when combined, these account for around 80% of net sales.

The sales composition by sales channel in the fiscal year ending March 2021 was 78.8% for furniture stores, 9.2% for direct sales to hotels and other commercial facilities, 7.8% for sales at shops/showrooms, 2.6% for house builders and the remaining for others.

Production Structure

The company produces its products at four factories it owns in Japan as well as partner factories in Japan and overseas to which the company provides technical advice.

Since the partner factories in Japan are in the surrounding areas of its own factories, continuous provision of technical advice is enabled as well as quick product delivery with short distances to transport. In addition, the company's employees are assigned to provide technical advice and quality management at the partner factories overseas.

Financial Statements

Statement of income	Fiscal Year	Mar. 2019		Mar. 2020		Mar. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		10,204	100.0	10,034	100.0	8,976	100.0
Cost of sales		5,169	50.7	4,773	47.6	4,255	47.4
Gross profit		5,034	49.3	5,260	52.4	4,720	52.6
Selling, general and administrative expenses		4,514	44.2	4,775	47.6	4,015	44.7
Operating profit		520	5.1	485	4.8	704	7.9
Non-operating income		33	0.3	15	0.2	43	0.5
Non-operating expenses		50	0.5	31	0.3	18	0.2
Ordinary profit		503	4.9	469	4.7	730	8.1
Profit before income taxes		469	4.6	445	4.4	729	8.1
Net profit		285	2.8	331	3.3	521	5.8

Balance sheet	Fiscal Year	Mar. 2019		Mar. 2020		Mar. 2021	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		3,464	51.4	3,336	50.3	3,762	53.1
Cash and deposits		508	7.5	475	7.2	633	8.9
Accounts receivable-trade		2,136	31.7	2,031	30.6	2,259	31.9
Inventories		725	10.8	758	11.4	801	11.3
Non-current assets		3,246	48.6	3,294	49.7	3,321	46.9
Property, plant and equipment		2,927	43.4	2,999	45.2	3,010	42.5
Intangible assets		103	1.5	72	1.1	64	0.9
Investments and other assets		245	3.6	222	3.4	246	3.5
Total assets		6,741	100.0	6,631	100.0	7,084	100.0
Current liabilities		3,111	46.2	3,503	52.8	3,785	53.4
Accounts payable-trade		1,158	17.2	1,160	17.5	1,131	16.0
Non-current liabilities		768	11.4	1,461	22.0	1,093	15.4
Net assets		2,860	42.4	1,666	25.1	2,205	31.1
Owners' equity		2,860	42.4	1,666	25.1	2,205	31.1

Statement of cash flows	Fiscal Year	Mar. 2019	Mar. 2020	Mar. 2021
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		662	518	349
Depreciation		239	226	186
Cash flows from investing activities		-34	-252	-170
Cash flows from financing activities		-802	-299	-22
Dividends paid		-	-	-
Net increase in cash and cash equivalents		-174	-33	157
Cash and cash equivalents		458	425	583

Note: Non-consolidated basis.

Source: Prepared by Stock Research Center based on the notifiable prospectus.

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